



**Australian Government**  
**Department of Industry, Science,  
Energy and Resources**

## Offshore Petroleum Decommissioning Guideline

Effective 17 January 2018

This document has been developed as a general guide only. It is subject to, and does not replace or amend the requirements of, the [Offshore Petroleum and Greenhouse Gas Storage Act 2006](#) (OPGS Act) and associated regulations, which should be read in conjunction with this guideline.

This guideline is made available by the Australian Government for information only. Before relying on this material, users should carefully evaluate the accuracy, currency, completeness and relevance of the information and obtain independent legal or other professional advice relevant to their circumstances.

This document has been prepared by the [Australian Government Department of Industry, Science, Energy and Resources](#). It will be reviewed and updated as required.

This document is available online at [www.nopta.gov.au](http://www.nopta.gov.au).

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Date	Version	Purpose	Jurisdiction
February 2020	2	Update departments name	Commonwealth
January 2018	1	To establish a Guideline for the Commonwealth offshore petroleum decommissioning regime.	Commonwealth

# 1 Purpose

The purpose of this Guideline is to clarify the application, operation and interaction between components of the Commonwealth regime for decommissioning offshore petroleum infrastructure in Commonwealth waters under the [Offshore Petroleum and Greenhouse Gas Storage Act 2006](#) (OPGGS Act), associated regulations and, where applicable, other Commonwealth laws.

This is to assist offshore petroleum titleholders to plan and seek the regulatory approvals necessary to undertake a decommissioning project, and to understand the expectations of relevant decision-makers.

## 2 Commonwealth decommissioning policies

This Part outlines the key Australian Government policies relevant to decommissioning.

Decommissioning is a normal activity in the lifetime of an offshore petroleum project. Its purpose is to remove or otherwise satisfactorily deal with, in a safe and environmentally responsible manner, infrastructure previously used to support operations. This includes plugging and abandoning wells, rehabilitating the site and carrying out any necessary monitoring.

### 2.1 Decommissioning is the responsibility of titleholders

Decommissioning activities are the responsibility of the registered holder of the title under which the activities take place. This includes timely and effective planning, obtaining necessary approvals, and executing the activities in compliance with the OPGGS Act, the regulations (including accepted permissioning documents) and other applicable domestic and international laws.

### 2.2 Early planning for decommissioning is encouraged

Titleholders are encouraged to plan for decommissioning at the early stages of project development, as part of an overall field development strategy. Decommissioning should also be considered as part of the design and concept selection stages of facility development. This will ensure decommissioning obligations and associated costs can be factored into overall project costs and planning.

### 2.3 Complete removal of infrastructure is the “base case”

The complete removal of infrastructure and the plugging and abandonment of wells is the default decommissioning requirement under the OPGGS Act. This is consistent with Australia’s international obligations, primarily under the United Nations Convention on the Law of the Sea (UNCLOS)<sup>1</sup> and the Convention on the Prevention of Marine Pollution by Dumping of Wastes and Other Matter (London Convention) and associated Protocol, to remove disused installations and structures and to preserve and protect the marine environment. This requirement is however subject to other provisions of the OPGGS Act and regulations, directions given by the National Offshore Petroleum Safety and Environmental Management Authority (NOPSEMA) or the responsible Commonwealth Minister, and other applicable laws.<sup>2</sup>

This means options other than complete removal may be considered, however the titleholder must demonstrate that the alternative decommissioning approach delivers equal or better environmental, safety and well integrity outcomes compared to complete removal, and that the approach complies with all other legislative and regulatory requirements – including requirements under other Commonwealth laws. Titleholders can demonstrate these matters through submission of permissioning documents to NOPSEMA under the OPGGS regulations.

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<sup>1</sup> The International Maritime Organisation (IMO) [Guidelines and Standards for the Removal of Offshore Installations and Structures on the Continental Shelf and the Exclusive Economic Zone \(IMO Resolution A.672\(16\)\)](#) will also apply. This instrument sets out the matters to be considered by State parties to UNCLOS when making decisions dealing with abandoned or disused installations on the Continental Shelf.

<sup>2</sup> For example, where a titleholder proposes to dispose of or abandon in-situ infrastructure at sea, the titleholder will be required to apply for a permit under the [Environment Protection \(Sea Dumping\) Act 1981](#).

This acknowledges the variability of factors (including site-specific environmental and safety risks, type of infrastructure, costs, and available technology) that may affect titleholders' considerations.

## **2.4 Decommissioning must be completed before the end of title**

All decommissioning activities should be undertaken while a title is still in force. This is to:

1. Ensure that all decommissioning activities are conducted under the framework of the OPGGS Act and regulations, providing legal and process certainty to all stakeholders and ensuring risks to safety, well integrity and environmental management are effectively managed.
2. Provide a structured process for titleholders seeking to vacate a title area, through ensuring all applicable legislative and regulatory obligations have been met prior to a title ending.

The Commonwealth expects titleholders will complete all decommissioning activities before their title ends over all or the relevant part of the area to which it relates. This includes where a title is brought to an end by a decision of a Joint Authority (e.g. where the Joint Authority consents to surrender a title) or by the direct operation of the OPGGS Act (e.g. where a title expires).

If a title is proposed to be transferred before the title comes to an end, the National Offshore Petroleum Titles Administrator (NOPTA), in undertaking its function of managing the transfer of titles under Part 4.3 of the OPGGS Act, will assess whether the transferee(s) have the technical and financial capacity to comply with their obligations. This will include consideration of the timing and scale of any decommissioning obligations.<sup>3</sup>

Until a transfer is approved and registered by NOPTA, the corporate entity registered as the titleholder remains the titleholder under the OPGGS Act, with full responsibility for ensuring its obligations and liabilities are met.

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<sup>3</sup> Further information can be found in NOPTA's [guideline on transfers and dealings](#).

## 3 Core decommissioning provisions: OPGGS Act

The core decommissioning provisions under the OPGGS Act are the obligation to remove disused property from the title area, and the criteria that must be met before the Joint Authority may consent to surrender a petroleum title. An overview of these provisions is provided below. This Part also provides an overview of relevant directions that may be issued under the OPGGS Act.

Other domestic laws (including Commonwealth laws and laws of the States and Territories) will also apply to decommissioning in relevant circumstances. These are outlined in [Part 5](#) below.

### 3.1 Removal, maintenance and repair of property

Under subsection 572(3) of the OPGGS Act, a titleholder must remove all equipment and other property in their title area that is neither used, nor to be used, for operations authorised by their title. This obligation is ongoing, and covers both the removal of property at the end of production and the removal of disused infrastructure at appropriate points throughout the life of a project.

**Example:** Exploration and appraisal wells that are not to be reused should be progressively plugged and abandoned, and wellheads removed (or alternative arrangements made), over the life of a title.

Under subsection 572(2), titleholders must also maintain in good condition and repair all structures that are, and all equipment and other property that is, in the title area and used for operations authorised by the relevant title. This is also an ongoing obligation under the OPGGS Act.

The property removal, maintenance and repair obligations are subject to other provisions of the OPGGS Act, the regulations, directions given by NOPSEMA or the responsible Commonwealth Minister, and other applicable laws. The obligations therefore do not substitute for or override other provisions of, or arrangements made under, the OPGGS Act or regulations.

**Example:** Under the [Offshore Petroleum and Greenhouse Gas Storage \(Environment\) Regulations 2009](#), a titleholder may demonstrate through an environment plan that arrangements other than complete removal of equipment and property provide outcomes that reduce environmental impacts and risks to both acceptable levels and as low as reasonably practicable (ALARP).

If NOPSEMA accepts an environment plan that demonstrates these outcomes and meets all other criteria for acceptance under the regulations, and demonstrates compliance with all other legislative and regulatory requirements,<sup>4</sup> this would constitute arrangements that are satisfactory to NOPSEMA in relation to the equipment and property covered under the environment plan. The titleholder would therefore not be required to remove the property under subsection 572(3).

Titleholders are encouraged to keep, and to regularly review, an inventory of infrastructure in their title areas, including reference to any associated approvals. Titleholders may use the inventory to identify infrastructure that will no longer be used and/or infrastructure that requires repair.

Disused infrastructure should be removed as soon as practicable, or arrangements made to deal with the infrastructure in a manner that delivers appropriate environmental, well integrity and safety outcomes. Periodically removing infrastructure should also reduce the amount of infrastructure that must be dealt with at the end of production.

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<sup>4</sup> Including, for example, the requirements set down in the [Environment Protection \(Sea Dumping\) Act 1981](#).

A failure to comply with the property removal, maintenance or repair obligations may attract a criminal penalty of up to 100 penalty units, or a civil penalty of up to 525 penalty units.<sup>5</sup> Non-compliance may also be grounds for enforcement action, including issuing of a direction by NOPSEMA or, ultimately, cancellation of the relevant title by a Joint Authority.

Compliance with the requirements to remove disused property from the title area, and to maintain property in good condition and repair, are also relevant considerations in some titles decisions – for example decisions to renew petroleum exploration permits under section 125 and decisions to consent to surrender a title under section 270. It is therefore in the interests of industry to ensure that legal obligations are understood and that they are met on an ongoing basis.

## 3.2 Surrender of titles

Under section 269 of the OPGGS Act, a titleholder may apply to NOPTA for the Joint Authority's consent to surrender their title. Holders of exploration permits, production licences or pipeline licences can apply to surrender the permit or licence in whole or part. Retention leases and infrastructure licences can only be surrendered in their entirety.

Subsection 270(3) sets out the criteria that must be met before the Joint Authority may consent to the surrender of a title. These include a number of decommissioning obligations. In particular, the titleholder must have, to the satisfaction of NOPSEMA:

- removed, or caused to be removed, all property brought into the surrender area<sup>6</sup> by any person engaged or concerned in operations authorised by the title, or made arrangements that are satisfactory to NOPSEMA in relation to that property.
- plugged or closed off any wells made in the surrender area by any person engaged or concerned in the operations authorised by the title.
- provided for the conservation and protection of the natural resources in the surrender area.
- made good any damage to the seabed or subsoil in the surrender area caused by any person engaged or concerned in the operations authorised by the title.

NOPSEMA satisfies itself on reasonable grounds in relation to these criteria by assessing the titleholder's permissioning documents and the extent to which the titleholder has complied with them once decommissioning is complete. Following the surrender of title, the title area becomes vacant acreage in Commonwealth waters.<sup>7</sup>

[Further information](#) on surrendering titles can be found in Fact Sheets on the NOPTA website.

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<sup>5</sup> From 1 July 2017, one penalty unit equates to \$210 under section 4AA of the [Crimes Act 1914](#). Consumer Price Indexation adjustment of the penalty unit amount occurs every three years thereafter.

<sup>6</sup> Under the OPGGS Act, the **surrender area** is, in the case of a petroleum production licence or petroleum exploration permit, the area constituted by the block or blocks as to which the permit or licence will be surrendered. For retention leases and infrastructure licences, the **surrender area** is the title area.

For pipeline licences, the **surrender area** is the part of the offshore area in which the pipeline is constructed (if the licence is to be surrendered as to the whole of the pipeline), or the part of the offshore area in which the relevant part of the pipeline is constructed (if the licence is to be surrendered as to a part of the pipeline).

<sup>7</sup> 'Vacant acreage' is the term generally used to refer to an area not subject to an existing petroleum exploration permit, retention lease or production licence.

### 3.3 General power to issue directions

Under section 574 of the OPGGS Act, NOPSEMA may give a direction to a titleholder as to any matter in relation to which regulations may be made. Specific matters in relation to which regulations may be made are set out in section 782 of the OPGGS Act, and include, but are not limited to:

- the exploration for and recovery of petroleum, and the carrying on of operations or works for those purposes.
- the conservation of, and prevention of the waste of, the natural resources (whether petroleum or otherwise) of the continental shelf.
- the maintaining in good condition and repair all structures, equipment and other property used or intended to be used in connection with exploring for or exploiting petroleum.
- the removal from an offshore area of structures, equipment and other items of property that have been brought into the offshore area for or in connection with exploring for or exploiting petroleum, and are no longer used, or intended to be used, for those purposes.

The responsible Commonwealth Minister may issue similar directions under section 574A of the OPGGS Act. However, a direction issued by the responsible Commonwealth Minister must relate to resource management, resource security or data management.

### 3.4 Power to issue remedial directions to current and former titleholders

Under sections 586 and 587 of the OPGGS Act respectively, NOPSEMA may issue remedial directions to current and former titleholders. NOPSEMA may direct a current or former titleholder to do any or all of the following to NOPSEMA's satisfaction:

- remove, or cause to be removed, all property brought into the title area by any person engaged or concerned in operations authorised by the title, or make arrangements that are satisfactory to NOPSEMA in relation to that property.
- plug or close off wells made in the title area by any person engaged or concerned in the operations authorised by the title.
- provide for the conservation and protection of the natural resources in the title area.
- make good any damage to the seabed or subsoil in the title area caused by any person engaged or concerned in the operations authorised by the title.

In the case of a direction given to a current titleholder, NOPSEMA can require the direction to be complied with on or before the "applicable date". The "applicable date" is generally the expiry date of the title; however, in the case of a production licence, infrastructure licence, or pipeline licence, the "applicable date" is the first date on which the licence can be terminated under the OPGGS Act.

The responsible Commonwealth Minister may issue similar directions to current and former titleholders under sections 586A and 587A of the OPGGS Act respectively. However, the responsible Commonwealth Minister cannot issue remedial directions in relation to the removal of, or making of arrangements in relation to, property, and may only give directions for a purpose that relates to resource management or resource security.



## 4 Regulatory requirements

This Part outlines the regulatory approvals that must be sought to decommission infrastructure. A flowchart outlining these approvals processes is also included for reference in [Annex 1](#).

### 4.1 Approvals from the National Offshore Petroleum Safety and Environmental Management Authority

NOPSEMA is the independent regulator for safety, well integrity and environmental management for offshore petroleum activities, including decommissioning. NOPSEMA assesses duty holders' permissioning documents, to determine whether safety, environmental and well integrity risks have been appropriately identified and will be managed to levels that are as low as reasonably practicable (ALARP)<sup>8</sup> and, in the case of environmental risks, levels that are acceptable. NOPSEMA monitors and enforces compliance with regulatory requirements through implementing its compliance strategy.

It is an offence to undertake offshore petroleum activities (including decommissioning) in Commonwealth waters without relevant permissioning documents (including a [safety case](#), [environment plan](#) and [WOMP](#), as applicable) in force. New or revised documents submitted to NOPSEMA are assessed against the criteria set out in the OPGGS regulations.

As part of its assessment and approval processes, NOPSEMA considers proposed decommissioning approaches. As outlined above, complete removal of infrastructure remains the decommissioning 'base case' and default legal obligation, consistent with UNCLOS and applicable international standards. Other options are considered only if the titleholder can demonstrate the alternative approach meets all applicable requirements under the OPGGS Act, the regulations, and other applicable laws.

Further information about NOPSEMA, as well as additional guidance on regulatory obligations and approvals processes, is available on the [NOPSEMA website](#).

#### 4.1.1 Environmental management

Environmental management for petroleum activities is regulated under the [Offshore Petroleum and Greenhouse Gas Storage \(Environment\) Regulations 2009](#) (Environment Regulations).

##### 4.1.1.1 Offshore Project Proposals

The Offshore Project Proposal (OPP) framework allows whole-of-project assessment by NOPSEMA, and permits stakeholders to input into project development proposals and raise concerns relating to environmental sensitivities, impacts and risks. A proponent must include in their OPP a description of actions proposed to be taken, following completion of the project, in relation to facilities. This includes proposed decommissioning activities in relation to those facilities.

The Environment Regulations also permit titleholders to use the OPP process for a stand-alone decommissioning activity. However, this is not a requirement. Where a titleholder is considering using the OPP process for a stand-alone decommissioning activity, early engagement with NOPSEMA is recommended.

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<sup>8</sup> [Further guidance on ALARP](#) is available on the NOPSEMA website.

#### 4.1.1.2 Environment plans

Decommissioning activities, including removing or otherwise dealing with property and remediating the title area, are petroleum activities<sup>9</sup> for the purposes of the Environment Regulations. The titleholder undertaking the activities will therefore need to submit and receive acceptance for an environment plan (or receive acceptance for a revision of an existing plan, if appropriate) before the relevant activities may commence. Titleholders must also undertake all activities in a manner consistent with their accepted environment plan.

In assessing an environment plan, NOPSEMA will consider whether the titleholder has identified all risks associated with the activity, and demonstrated how those risks will be managed to ALARP and acceptable levels. Further, in the context of decommissioning, the environment plan is the key permissioning document assessed by NOPSEMA through which titleholders can demonstrate compliance with the majority of decommissioning obligations under subsection 270(3) of the OPGGS Act (relating to surrender of title). Consequently, where a titleholder is seeking to surrender a title post decommissioning, the titleholder should ensure the environment plan for the relevant activity or activities addresses the following matters:

- the complete removal of all property to which the plan relates, or alternative arrangements for that property (e.g. partial or complete decommissioning in-situ).
- the protection and conservation of natural resources (as they relate to environmental management) in the area to which the environment plan relates.<sup>10</sup>
- any measures necessary to make good any damage to the seabed or subsoil in the title area.

For NOPSEMA to accept an environment plan, the plan must meet all of the criteria in regulation 10A of the Environment Regulations.

NOPSEMA has published on its website a suite of [policy guidance](#) on environmental management (including specific guidance for environment plans and OPPs), as well as [additional guidance](#) on its decision-making process for environment plans.

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<sup>9</sup> Under the Environment Regulations, a **petroleum activity** means operations or works in an offshore area, undertaken for the purpose of:

- (a) exercising a right conferred on a petroleum titleholder under the OPGGS Act by a petroleum title; or
- (b) discharging an obligation imposed on a petroleum titleholder by the OPGGS Act or a legislative instrument under the Act.

<sup>10</sup> For the purposes of the OPGGS Act, **natural resources** has the meaning given by Article 77, paragraph 4 of the United Nations Convention on the Law of the Sea (UNCLOS), which states:

“The natural resources referred to in this Part consist of the mineral and other non-living resources of the seabed and subsoil together with living organisms belonging to sedentary species, that is to say, organisms which, at the harvestable stage, either are immobile on or under the seabed or are unable to move except in constant physical contact with the seabed or the subsoil.”

#### 4.1.1.3 End of operation of an environment plan

Under regulation 25A of the Environment Regulations, to bring an environment plan to an end the titleholder must notify NOPSEMA that the activity or activities to which the plan relates have ended, and that all of the obligations under the environment plan have been completed. The obligations under an environment plan are taken to be all of the commitments and performance standards contained within the environment plan, as well as other relevant regulatory requirements, such as the provision of all relevant reports in relation to the environment plan.

Once a titleholder has given notification under regulation 25A, NOPSEMA will conduct its own verification to confirm all obligations under the environment plan have been completed. This will include checking the status of inspection recommendations, incidents, reporting, and environmental performance. NOPSEMA will advise the titleholder when the notification has been accepted, or if further action is required prior to NOPSEMA being able to accept the notification.

Once the notification is accepted, the environment plan ends, meaning it is no longer in force for the activity, and the ability to conduct the activity under that environment plan ceases. The environment plan cannot be reactivated or revised after this time.

NOPSEMA has published [guidance](#) on the end of operation of environment plans on its website. It is recommended that titleholders are familiar with this guidance and with obligations under the Environment Regulations in determining whether a particular environment plan has ended.

#### 4.1.2 Safety

Safety of offshore petroleum operations is regulated under Schedule 3 to the OPGGS Act and under the [Offshore Petroleum and Greenhouse Gas Storage \(Safety\) Regulations 2009](#) (Safety Regulations).

##### 4.1.2.1 Safety cases

Decommissioning activities (particularly removing property) will often involve work undertaken at or near a facility. Under the Safety Regulations, persons are not permitted to undertake any work with respect to a facility in Commonwealth waters – including decommissioning a facility or part of a facility – without a safety case in force that provides for the relevant activity.

If the operator of a facility wishes to have a safety case accepted for that facility, they must submit the safety case to NOPSEMA under regulation 2.24 of the Safety Regulations. The safety case is then subject to an assessment process, which enables NOPSEMA to evaluate and challenge the operator's proposed risk management arrangements, performance standards and control measures.

If a safety case is already in force for a facility, but decommissioning is not adequately addressed therein, the operator must submit a revised safety case under regulation 2.30 of the Safety Regulations, and have the revised case accepted by NOPSEMA, before decommissioning the facility.

NOPSEMA has published on its website comprehensive [policy guidance](#) on safety risk management (including the safety case framework). It is recommended that titleholders are familiar with this guidance and with their obligations under the OPGGS Act and the Safety Regulations before undertaking any activity in relation to a facility.

NOPSEMA also provides an [overview](#) of applicable OHS laws on its website.

### 4.1.3 Well integrity

Well integrity in the offshore petroleum sector is regulated under Part 5 of the [Offshore Petroleum and Greenhouse Gas Storage \(Resource Management and Administration\) Regulations 2011](#) (RMA Regulations). Titleholders also have OHS duties relating to wells under Schedule 3 to the OPGGS Act.

#### 4.1.3.1 Well operations management plans

Decommissioning a field typically involves the permanent plugging and abandonment of wells. Plugging and abandonment is a well activity for the purposes of Part 5 of the RMA Regulations. Prior to undertaking a well activity, titleholders must have an accepted well operations management plan (WOMP) that applies to that activity. The WOMP is required to cover the life of the relevant well, up to and including permanent abandonment. It is an offence to carry out a well activity in Commonwealth waters without a WOMP, or in a manner inconsistent with an accepted WOMP.

On submission of a WOMP by a titleholder, NOPSEMA assesses the WOMP to evaluate whether the titleholder has provided for risks to well integrity to be reduced to ALARP. All WOMPs must describe the arrangements that will be in place for suspension and abandonment of the well.

Titleholders must also provide advance notification to NOPSEMA, copied to NOPTA, before commencing specified well activities, including plugging and abandonment, in accordance with the requirements of regulation 5.22.

#### 4.1.3.2 End of a well operations management plan

Under regulation 5.17 of the RMA Regulations, to bring a WOMP to an end the titleholder must have permanently abandoned the well or wells to which the WOMP relates and given NOPSEMA a written report of the process undertaken in abandoning the well(s) (including the outcomes of that process).

NOPSEMA will advise the titleholder when it is reasonably satisfied that the process of abandoning the well or wells was undertaken in accordance with the WOMP, or if further action, information or confirmation is required prior to NOPSEMA being able to accept the written report.

Once reports for all wells to which the WOMP relates are accepted, the WOMP ends, meaning it is no longer in force and the ability to conduct well activities under that WOMP ceases. The WOMP cannot be reactivated or revised after this time.

NOPSEMA has published on its website a comprehensive suite of [policy guidance](#) on well operations. It is recommended that titleholders are familiar with this guidance and with their obligations under the RMA Regulations, before undertaking any activity in relation to a well.

## 4.2 Approvals from the Joint Authority

The Joint Authority is responsible for assessing and accepting production licensees' field development plans (FDPs) under Part 4 of the RMA Regulations. The Joint Authority will consider advice provided by NOPTA in making decisions on FDPs.

Under regulation 4.02 of the RMA Regulations, a production licensee may not recover petroleum, unless on an appraisal basis, without an accepted FDP in place. Under regulation 4.06 of the RMA Regulations, the FDP will be accepted by the Joint Authority if it is satisfied that the FDP includes the matters in sub-regulation 4.07(1), and demonstrates that the person will conduct pool

management in the field consistent with good oilfield practice and compatible with optimum long-term recovery of the petroleum.

While there is no express requirement to include decommissioning in the FDP, the plan must include the project schedule and development strategy. Further, where a production licensee proposes to cease production, permanently or for the long term, before the date proposed in the FDP, this would constitute a 'major change', and under regulation 4.08 requires an application to the Joint Authority, through NOPTA, for a variation to the accepted FDP.

Where a titleholder is considering ceasing production, it is recommended they contact NOPTA for further information on the applicable process.

Once decommissioning activities have been satisfactorily completed, the Joint Authority is also the decision-maker on an application to surrender an offshore petroleum title.

[Further information about the Joint Authorities](#) is available on the NOPTA website. Also available are [operating protocols](#) for the Joint Authorities and [guidelines for Joint Authority decisions](#).

## 5 Other relevant laws

The OPGGS Act and regulations are the primary instruments applicable to decommissioning in Commonwealth waters. However, a number of other Commonwealth and State or Territory laws may also apply to the decommissioning process. Other key laws are outlined below.

In particular, any proposal to dispose of infrastructure at sea, or to abandon infrastructure in-situ, will require a permit under the [Environment Protection \(Sea Dumping\) Act 1981](#) (Sea Dumping Act).

### 5.1 Environment Protection (Sea Dumping) Act 1981

Australian waters<sup>11</sup> are protected from wastes and pollution dumped at sea by the Sea Dumping Act, which regulates the loading and dumping of wastes at sea, as well as the creation of artificial reefs. The Sea Dumping Act is administered by the Department of the Environment and Energy (DEE). Under the Act, the Commonwealth aims to address marine pollution by:

- prohibiting ocean disposal of waste considered too harmful to be released.
- regulating the disposal of controlled waste and the creation of artificial reefs, to ensure that environmental impacts are minimised.
- prohibiting incineration at sea of wastes and other matter.

Under the Sea Dumping Act, “dumping” includes abandonment or toppling at site of platforms or other man-made structures at sea. Thus if a titleholder proposes to leave infrastructure partially or wholly in-situ, or dispose of infrastructure at a different site, a permit under the Sea Dumping Act may be required. A permit may be granted or refused after consideration of waste avoidance, the alternatives to sea disposal, the environmental impacts of the proposed activity, the impacts of the activity on other legitimate uses of the sea, and proposed mitigation and monitoring measures.

Persons proposing to dump controlled material at sea, or to create an artificial reef, must apply to the Minister for the Environment and Energy for a permit.

The [Environment Protection and Biodiversity Conservation Act 1999](#) (EPBC Act) is also relevant to sea dumping activities. Under subsection 160(1) of the EPBC Act, if an action that would be authorised by a sea dumping permit has, will have or is likely to have a significant impact on the environment, the Minister for the Environment and Energy’s advice must be obtained before the relevant permit is granted.

[Further information on sea dumping](#) is available on the DEE website.

### 5.2 Environment Protection and Biodiversity Conservation Act 1999

The EPBC Act, administered by DEE, is the Commonwealth’s key piece of environmental legislation. Most activities that will or are likely to have a significant impact on matters of national

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<sup>11</sup> ‘Australian waters’, as defined for the purposes of the Sea Dumping Act, cover the territorial seas (other than seas within the limits of a state or the Northern Territory), the exclusive economic zone, and waters above the Australian continental shelf. This is broader than the coverage of ‘Commonwealth waters’ under the OPGGS Act, which extends from three nautical miles seaward of the territorial sea baseline.

environmental significance require approval from the Minister for the Environment and Energy under the EPBC Act before they can proceed.

Referral, assessment and approval under Parts 7, 8 and 9 of the EPBC Act is no longer required for most offshore petroleum activities (including decommissioning) subject to environmental approval from NOPSEMA under its environmental authorisation processes. However, in circumstances where conditions for decommissioning were applied to an environmental approval granted under the EPBC Act prior to NOPSEMA becoming the sole regulator for petroleum activities in Commonwealth waters on 28 February 2014, those conditions must be met for the activity to proceed.

[Further information on the EPBC Act and regime](#) is available on the DEE website.

### 5.3 Hazardous Wastes (Regulation of Exports and Imports) Act 1989

The [Hazardous Wastes \(Regulation of Exports and Imports\) Act 1989](#) regulates the export and import of controlled wastes. Under the Act, interested parties may apply to the Minister for the Environment and Energy for a permit to transport controlled wastes in and out of Australia.

[Further information on the hazardous wastes regime](#) is available on the DEE website.

### 5.4 State and Territory waste management legislation

The decommissioning process typically involves dealing with a variety of waste products, including infrastructure (facilities, pipelines, wellheads, anchors, etc.) used to support petroleum operations, drill cuttings and other debris generated during the decommissioning process, and oily and other wastes generated when cleaning decommissioned infrastructure.

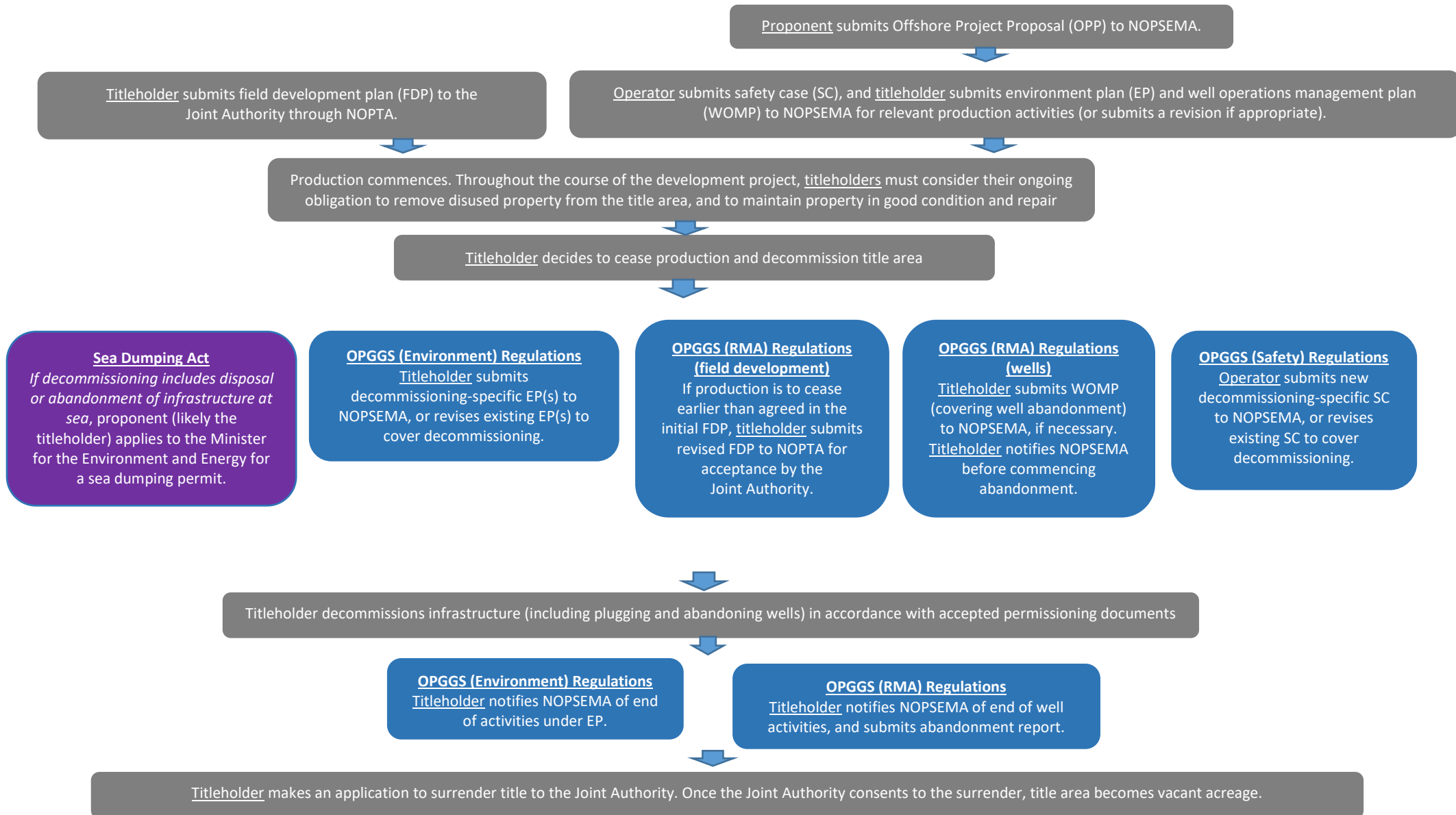
Where onshore treatment and disposal of wastes is to be undertaken as a component of decommissioning, management of this waste is primarily the responsibility of the States and Territories, which regulate and manage waste in accordance with their respective legislation, policies and programs. This includes: planning for waste management and waste avoidance, minimization and reuse; licensing and regulation of waste transport, storage, treatment, resource recovery and disposal; and managing the impacts of waste management activities.

All state and territory governments have enacted comprehensive legislative and policy instruments to protect the environment and to conserve natural resources.

An [outline](#) of the waste management legislation and strategies for each Australian jurisdiction is provided on the DEE website. A more comprehensive overview for each jurisdiction is also provided in the following fact sheets:

- [Australian Capital Territory](#)
- [Northern Territory](#)
- [South Australia](#)
- [Victoria](#)
- [New South Wales](#)
- [Queensland](#)
- [Tasmania](#)
- [Western Australia](#)

## Approvals process: decommissioning and surrender of title





### Glossary of key terms

Provided below are definitions of some of the key terms used throughout the Guideline. Please note that these definitions are for the purposes of this document only. They should not be taken as a substitute for definitions provided in the OPGGS Act, the regulations, or other relevant legislation.

#### As low as reasonably practicable

Refers to reducing impacts and risks to a level that is as low as reasonably practicable (ALARP). In practice, this means the duty holder (e.g. titleholder or operator) must show, through reasoned and supported arguments, that there are no other practicable options that could reasonably be adopted to reduce risks further. Risks are generally considered to be reduced to ALARP when the costs of reducing risks further are considered grossly disproportionate to the level of risk reduction achieved.

#### Coastal waters

So much of the scheduled area of a State or the Northern Territory as consists of the territorial sea and waters landward of the territorial sea that are not within the limits of the State or Territory. The territorial sea comprises waters of the sea within three nautical miles of the territorial sea baseline.

#### Commonwealth waters

Under the OPGGS Act, any area of water situated between three nautical miles from the territorial sea baseline and the outer limits of the Australian continental shelf. Generally, this refers to waters in the offshore area of a State or the Northern Territory.

#### Decommissioning

The removal of infrastructure previously used to support offshore petroleum operations from service at the end of its useful life. This infrastructure may include property, equipment or wells.

#### Environment plan

An environment plan is a document by which a titleholder identifies potential impacts and risks of a petroleum activity to the receiving environment, and sets out control measures to reduce impacts and risks to ALARP and to acceptable levels. It is an offence to undertake a petroleum activity in Commonwealth waters without an accepted environment plan that provides for that activity.

#### Facility

Under clause 4 of Schedule 3 to the OPGGS Act, a facility is any vessel or structure located at a site in Commonwealth waters, which is being used or prepared for use at that site any of the following:

- a) recovery, processing, or storage or offloading of petroleum, or any combination of those activities; or
- b) provision of accommodation for persons working on another facility; or
- c) drilling or servicing a well for petroleum or doing work associated with the drilling or servicing process; or

- d) laying pipes for petroleum, including manufacturing such pipes, or doing work on an existing pipe; or
- e) erection, dismantling or decommissioning a vessel or structure referred to in paragraphs (a)-(d); or
- f) any other prescribed purpose related to offshore petroleum operations.

Pipelines subject to pipeline licences are facilities for the purposes of Schedule 3 to the OPGGS Act.

The following are not facilities for the purposes of the OPGGS Act: offtake tankers, tugs and anchor handlers; vessels and structures used for supplying a facility or otherwise travelling between a facility and the shore; vessels and structures declared by the regulations not to be facilities.

### Good oilfield practice

As defined in section 7 of the OPGGS Act, all those things that are generally accepted as good and safe in the carrying on of exploration for petroleum, or petroleum recovery operations.

### Joint Authority

The Joint Authority for the offshore area of each State (except Tasmania) and the Northern Territory comprises the responsible Commonwealth Minister<sup>12</sup> and the relevant State or Territory Minister. For Tasmania, the Eastern Greater Sunrise offshore area, and external Territories (e.g. the Territory of Ashmore and Cartier Islands), the Joint Authority is the responsible Commonwealth Minister only.

### Offshore area

So much of the Scheduled Area of a State or the Northern Territory comprising waters of the sea beyond the outer limits of the coastal waters and within the limits of the Continental Shelf.

### Offshore Project

One or more activities that are undertaken in an offshore area for the purpose of recovering petroleum other than on an appraisal basis, including any conveyance of recovered petroleum by pipeline. Specific examples of offshore projects include drilling (other than on an exploration or appraisal basis), and the construction and/or operation of facilities or pipelines.

### Offshore Project Proposal

The Offshore Project Proposal (OPP) is a document submitted to NOPSEMA seeking approval to undertake an offshore project. The OPP requires the proponent to identify, assess and consult on all the potential impacts and risk posed by the relevant project, and provides the opportunity for NOPSEMA and the public to consider a project on a holistic basis.

A titleholder may not submit an environment plan for a component activity of an offshore project unless NOPSEMA has accepted an OPP for the project that provides for the activity.

The OPP framework replaces previous requirements to refer an offshore project to the Minister for the Environment and Energy for assessment and approval under the EPBC Act.

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<sup>12</sup> Under the OPGGS Act, the responsible Commonwealth Minister is the Minister who is responsible for the administration of that Act. This is typically the Minister with portfolio responsibility for resources matters.

### Operator

For the purposes of the Safety Regulations, the operator with respect to a facility is the person (including a corporate entity) with day-to-day management and control of the facility and its operations. Operators are registered by NOPSEMA under the Safety Regulations.

Under the Safety Regulations, it is an offence to carry out work at a facility or part of the facility unless there is an operator in respect of the facility.

### Permissioning document

A permissioning document is a document prepared and submitted by a titleholder or operator (as applicable) for assessment and acceptance. The approval of these documents (generally by NOPSEMA or by the Joint Authority) provides the duty holder with permission to undertake the activity or activities described therein, in accordance with the accepted document.

Permissioning documents are effectively risk management plans, and allow relevant agencies to assess the measures proposed by the duty holder to, among other matters, reduce impacts and risks associated with their activities to as low as reasonably practicable (ALARP) and to acceptable levels.

Permissioning documents submitted to and approved by NOPSEMA include the OPP, environment plan, safety case, and well operations management plan (WOMP). The field development plan is the key permissioning document submitted to NOPTA - for acceptance by the Joint Authority.

### Petroleum

Under the OPGGS Act, petroleum is:

- a) any naturally occurring hydrocarbon, whether in a gaseous, liquid or solid state; or
- b) any naturally occurring mix of hydrocarbons, whether in a gaseous, liquid or solid state; or
- c) any naturally occurring mixture of:
  - i. one or more hydrocarbons, whether in a gaseous, liquid or solid state; and
  - ii. one or more of hydrogen sulphide, nitrogen, helium and carbon dioxide; and
- d) includes petroleum as defined by paragraphs (a), (b) or (c) that has been returned to a natural reservoir; and
- e) for the purposes of the pipeline provisions, also includes any petroleum as defined by paragraphs (a), (b), (c) or (d), where:
  - i. one or more things have been added; or
  - ii. one or more things have been wholly or partly removed, or both.
- f) for the purposes of the pipeline provisions, also includes any mixture that:
  - i. has been recovered from a well; and
  - ii. includes petroleum as defined by paragraph (a), (b), (c) or (d);  
whether or not
  - iii. one or more things have been added; or
  - iv. one or more things have been wholly or partly removed.  
or both.

### **Petroleum activity**

Under the Environment Regulations, operations or works in an offshore area undertaken for the purpose of (a) exercising a right conferred on a petroleum titleholder under the OPGGS Act by a petroleum title or (b) discharging an obligation imposed on a petroleum titleholder by the Act or a legislative instrument under the OPGGS Act.

### **Safety Case**

A safety case is a document setting out the arrangements for health and safety that are used by managers, supervisors and the workforce to understand health and safety issues and their controls.

The safety case sets out the operator's commitments to reducing safety risks to a level that is as low as reasonably practicable. The case must include, among other matters, a detailed description of the safety management system (SMS) for a facility.

Under the Safety Regulations, it is an offence to carry out work at a facility or part of the facility without an accepted safety case in force that provides for the relevant activity or activities.

### **Scheduled Area**

The Scheduled Area, for a State or the Northern Territory, refers to the area delineated in Schedule 1 (clauses 1-8) of the OPGGS Act.

### **Stakeholder**

A person with an interest (a 'stake') in an enterprise, and/or a person involved or affected by a particular course of action.

### **Territorial sea baseline**

The line from which the seaward limits of Australia's Maritime Zones are measured. The baseline broadly corresponds with the low water line along the coast, including the coasts of islands. Under international law, a normal baseline may be drawn around low tide elevations – defined as naturally formed areas of land surrounded by and above water at low tide but submerged at high tide, provided they are wholly or partly within 12 nautical miles of the coast.

The territorial sea baseline is defined by proclamation – currently by the [\*Seas and Submerged Lands \(Territorial Sea Baseline\) Proclamation 2016\*](#).

### **(Petroleum) Titleholder**

The entity or entities registered as the holder(s) of a petroleum exploration permit, petroleum retention lease, petroleum production licence, pipeline licence, infrastructure licence, petroleum special prospecting authority or petroleum access authority.

### **Well operations management plan**

A WOMP is a document by which a titleholder identifies risks posed by activities relating to a well that are carried out during the life the well (well activities), and sets out measures to ensure risks to well integrity are reduced to as low as reasonably practicable.

After it is prepared by the titleholder, the WOMP is submitted to NOPSEMA. NOPSEMA then assesses the WOMP against the criteria set down in the RMA Regulations, and determines whether

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to accept or reject the WOMP. It is an offence to undertake a well activity in Commonwealth waters without an accepted WOMP that provides for the activity.

For certain well activities, the titleholder must also provide NOPSEMA with advance notice of the activity before it commences.